

Hearing Date And Time: February 24, 2009 at 10:00 a.m. (prevailing Eastern time)
Objection Deadline: February 17, 2009 at 4:00 p.m. (prevailing Eastern time)

Andrew Michael Forehand
4008 Brooke Road
Kokomo, IN 46902
(765) 451-3522 office
(765) 864-9809 home
(765) 434-9361 mobile

Salaried Employee of Delphi Corporation
Debtors and Debtors-in-Possession

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----x
In re : Chapter 11
:
DELPHI CORPORATION, et al., : Case No. 05-44481 (RDD)
:
Debtors. : (Jointly Administered)
:
-----x

LETTER TO CONTEST DELPHI'S MOTION FOR ORDER UNDER 11 U.S.C. §§ 105, 363(b)(1), AND 1108 CONFIRMING DEBTORS' AUTHORITY TO TERMINATE EMPLOYER-PAID POSTRETIREMENT HEALTH CARE BENEFITS AND EMPLOYER-PAID POST-RETIREMENT LIFE INSURANCE BENEFITS FOR CERTAIN (A) SALARIED EMPLOYEES AND (B) RETIREES AND THEIR SURVIVING SPOUSES ("SALARIED OPEB TERMINATION MOTION")

PRELIMINARY STATEMENT

I am an active Delphi employee, but am nearing retirement. Delphi Corp. filed a motion with the U.S. Bankruptcy Court to discontinue healthcare and life insurance coverage for retirees. Additionally, the Retiree Health Reimbursement Account (RHRA) would be eliminated. The RHRA was established as part of the "deal" a couple of years ago when Delphi terminated health insurance coverage for retirees once they reach 65 years of age.

I am contesting this motion for the following reasons:

- 1) The motion made by Delphi is an effort to exit bankruptcy. Effectively, Delphi is taking the position that no one will loan them the money to exit bankruptcy, so let's take the money from the group with no recourse, the retirees. This is equivalent to \$1.1 Billion taken from the retirees!
- 2) The motion made by Delphi is for permanent elimination of health care benefits for salaried employees. This should not be permitted. This will likely cost retirees over 30% of their fixed income. There is no time for these families to recover from loosing 30% of their planned income. If approved, this will financially devastate most Delphi retirees.
- 3) The Retiree Health Reimbursement Account (RHRA) was recently offered to a limited group of employees to cushion the impact of Delphi removing Health Care Coverage above age 65. The permanent elimination of this Health Care should not be permitted. At the time of the offering, there was recognition in offering the RHRA that there was no time for older employees to make the necessary financial adjustments to cover this loss of support.
- 4) The company should honor its commitment to the salaried employees, who were promised coverage for all of their working careers, in my case 35.8 years. A temporary modification of this coverage may be more appropriate. If modified, the benefit should be reestablished once the company recovers, and the executives are receiving bonuses. Why should a small select group permanently take the brunt of exiting the Delphi bankruptcy?
- 5) The annual obligation Delphi has to provide health care coverage will involve a relatively fixed moving window of financial obligation. There will be some retirees moving into the no coverage window, 65 years old, as new retirees will begin to pick up this coverage. This

obligation should be a relative fixed level of cost into the future. Eventually, this cost will be eliminated on the employees hired after 1992 begin to retire. Delphi is asking the court to permanently impact many families for a number of years to come. Delphi needs immediate help not long term.

- 6) The Delphi health care obligation is limited in two ways. Coverage for retirees will only cover the years from retirement age (maybe 62 years old) until they reach age 65. Secondly, retirees hired after 1992 do not receive health care coverage in retirement.
- 7) I hired into GM in April 1973 and was told by the company that my family would receive health care coverage in retirement for 35.8 years. If approved, I would have an extremely short time to adjust and provide health care coverage in retirement. I hope to work for another 2 years until I reach age 62. I may possibly work an extra year or so depending on how much devastation remains in my retirement fund due to the present Stock Market Crash.
- 8) People who have already retired are in an even worse situation. If this motion is approved, it will cost most of them more than a third of their fixed income to continue their coverage. Additionally, most retirees have lost about 50% of their savings in the recent Stock Market Crash. Simply stated, Delphi wants \$1.1 Billion from its retiree community because they are not able to borrow the exit financing through the traditional money market due to the national financial crash.

SUMMARY

I am an engineering manager, who hired into GM which eventually became Delphi. I have dedicated my working career to making GM and then Delphi the best company possible. I had a number of opportunities over the years to work in other industries for other companies. Some of these offers were for a higher salary. I turned the job offers down because GM and or

Delphi had always taken very good care of me. Since GM divested Delphi, there has been a string of decreased compensation and decreased willingness to commit to support its long term employees. Now the string of demise continues targeted at a population that has NO ALTERNATIVE. This is morally wrong. There needs to be another solution found. This solution should NOT be permitted.

I understand the extraordinary difficult economic times that the company, as well as the automotive industry faces. Sacrifices are being made now and more will be necessary. If health care coverage for retirees needs to be temporarily modified to help ensure the company's survival, then that is what we need to do. For example, co-pays, deductibles and/or premiums could be temporarily raised. However, I believe the permanent elimination of health care coverage for salaried retirees that were promised this coverage is ethically immoral.

I hope the court will clearly look at the personal impact that this request will have on numerous families in retirement on fixed incomes. Surely there are better solutions to this financial crisis. Please do NOT approve the Delphi motion as submitted.

I appreciate the court taking the time to consider my argument and respectfully ask that you not approve Delphi's motion to terminate health coverage for salaried employees that are depending on that coverage.

Dated: February 10, 2009
Kokomo, Indiana



Andrew Michael Forehand
4008 Brooke Road
Kokomo, IN 46902
(765) 434-9361